

Message Text

LIMITED OFFICIAL USE

PAGE 01 MBABAN 01072 300022Z

ACTION EB-08

INFO OCT-01 AF-10 ISO-00 AID-05 CIAE-00 COME-00 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03

SP-02 LAB-04 SIL-01 OMB-01 L-03 H-01 AGRE-00

EUR-12 /069 W

-----300040Z 070779 /63

R 291220Z APR 77

FM AMEMBASSY MBABANE

TO SECSTATE WASHDC 1674

LIMITED OFFICIAL USE MBABANE 1072

E.O. 11652: N/A

TAGS: EAID, WZ

SUBJECT: THIRD SUGAR MILL PROJECT

1. MINISTER OF INDUSTRY, MINES AND TOURISM (S.S. NXUMALO) ASKED CHARGE APRIL 28 TO DO WHATEVER POSSIBLE TO EXPEDITE WORLD BANK CONSIDERATION OF THIRD SUGAR MILL PROJECT. KNOWING OF COURSE THAT NO USG MONEY INVOLVED, NXUMALO NEVERTHELESS BELIEVED THAT DEPARTMENT MIGHT BE ABLE PROVIDE INSIGHT INTO REASONS THAT BANK TEAMS ARE DISPLAYING INCREASINGLY LESS ENTHUSIASM FOR PARTICIPATION IN PROJECT.

2. NXUMALO SAID THAT VARIOUS TEAMS HAD VISITED SWAZILAND IN THE PAST TO LOOK INTO ECONOMIC VIABILITY OF PROJECT AND THAT HE HAD WELCOMED THEM, THE GOS SHARING BANK'S DESIRE NOT TO EMBARK ON ECONOMICALLY UNSOUND PROJECT. HE FEELS NOW, HOWEVER, THAT WORLD BANK IS RASING QUESTIONS NO LONGER RELATED TO TECHNICAL ASPECTS BUT (ACCORDING TO HIM) RATHER MORE OF PHILOSOPHIC NATURE THAT SHOULD HAVE BEEN DISPOSED OF AT OUTSET. HE SAID LATEST QUERY CONCERNED "INTERNATIONAL GUARANTEES" FOR WORLD BANK MONEY IN PROJECT AND SAID GOS HAS HAD TO SEND MINISTRY OFFICIAL TO LONDON TO MEET WITH BANK TEAM FOR THIS

LIMITED OFFICIAL USE

PAGE 02 MBABAN 01072 300022Z

PURPOSE. NXUMALO DOUBTED THAT SMALL COUNTRIES, INCLUDING BLS, COULD MEET "INTERNATIONAL GUARANTEE" CONDITION. HE CLEARLY AFRAID THAT CONTINUED BANK INQUIRIES, WHICH BECOME KNOWN TO OTHER DONORS, WILL ERODE DONOR CONFIDENCE GENERALLY.

3. CHARGE, AWARE OF WASHINGTON RESERVATIONS ABOUT

PROJECT, AGREED ONLY TO REPORT NXUMALO'S CONCERN
TO DEPARTMENT AND TO CONVEY TO HIM ANY AVAILABLE
INFO WHICH DEPARTMENT MIGHT WISH SHARE WITH GOS
CONCERNING WORLD BANK STRATEGY IN THIS CASE.

4. ADVISE.
WACHOB

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCE, SUGAR, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Sent Date: 29-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MBABAN01072
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770151-0219
Format: TEL
From: MBABANE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977045/aaaaadny.tel
Line Count: 69
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b0dacba3-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 09-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2784190
Secure: OPEN
Status: NATIVE
Subject: THIRD SUGAR MILL PROJECT
TAGS: EAID, EFIN, WZ, IBRD
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/b0dacba3-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009